An act to amend Sections 14011.7 and 14148.04 of the Welfare and Institutions Code, relating to Medi-Cal.



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 14011.7 of the Welfare and Institutions Code is amended to read:

- 14011.7. (a) To the extent allowed under federal law and only if federal financial participation is available, the department shall exercise the option provided in Section 1396r-1a of Title 42 of the United States Code and the option provided in Section 1397gg(e)(1)(D) of Title 42 of the United States Code to implement a program for preenrollment of children into the Medi-Cal program. Upon the exercise of both of the federal options described in this subdivision, the department shall implement the Children's Presumptive Eligibility Program for the preenrollment of children into the Medi-Cal program.
- (b) (1) Before July 1, 2003, the department shall develop an electronic application to serve as the application for the Children's Presumptive Eligibility Program, to the extent allowed under federal law.
- (2) The department may, at its option, also use the electronic application developed pursuant to paragraph (1), as a means to enroll newborns into the Medi-Cal program as is authorized under Section 1396a(e)(4) of Title 42 of the United States Code. Providers may submit newborn enrollments through the electronic application on behalf of patients without a patient's signature.
- (c) (1) The department may designate, as necessary, Medi-Cal providers as qualified entities who are authorized to determine eligibility for preenrollment into the Medi-Cal program as authorized under this section.
- (2) The provider shall assist the parent or guardian of the child seeking eligibility for preenrollment into the Medi-Cal program in completing the electronic application.
- (d) The electronic application developed pursuant to subdivision (b) may only be filed when the child is in need of Medi-Cal.
- (e) (1) The electronic application developed pursuant to subdivision (b) shall request all information necessary for a provider to make an immediate determination as to whether a child meets the eligibility requirements for preenrollment into the Medi-Cal program pursuant to the federal options described in Section 1396r-1a or 1397gg(e)(1)(D) of Title 42 of the United States Code.
- (2) (A) If the electronic application indicates that the child is seeking eligibility for no cost full-scope Medi-Cal benefits, the department shall mail to the child's parent or guardian a followup application for Medi-Cal program eligibility. The parent or guardian of the child shall be advised to complete and submit to the appropriate entity the followup application.
- (B) The followup application, at a minimum, shall include all notices and forms necessary for the Medi-Cal program eligibility determination under state and federal law, including, but not limited to, any information and documentation that is required for the joint application package described in Section 14011.1.
- (C) The date of application for the Medi-Cal program is the date the completed followup application is submitted with the appropriate entity by the parent or guardian.
- (3) Upon making a determination pursuant to paragraph (1) that a child is eligible, the CHDP provider shall inform the child's parent or guardian of both of the following:
- (A) That the child has been determined to be eligible for preenrollment into the Medi-Cal program.



- (B) That if the child has been determined to be eligible for preenrollment into the Medi-Cal program, the period of preenrollment eligibility will end on the last day of the month following the month in which the determination of preenrollment eligibility is made, unless the parent or guardian completes and returns to the appropriate entity the followup application described in paragraph (2) on or before that date.
- (4) If the followup application described in paragraph (2) is submitted on or before the last day of the month following the month in which a determination is made that the child is eligible for preenrollment into the Medi-Cal program, the period of preenrollment eligibility shall continue until the completion of the determination process for the applicable program or programs.
- (f) The department shall seek approval of any amendments to the state plan, necessary to implement this section, for purposes of funding under Title XIX (42 U.S.C. 1396 et seq.) and Title XXI (42 U.S.C. 1397aa et seq.) of the Social Security Act. Notwithstanding any other provision of law and only when all necessary federal approvals have been obtained, this section shall be implemented only to the extent federal financial participation is available.
- (g) To implement this section, the department may contract with public or private entities, or utilize existing health care service provider enrollment and payment mechanisms, including the Medi-Cal program's fiscal intermediary, only if services provided under the program are specifically identified and reimbursed in a manner that appropriately claims federal financial reimbursement. Contracts, including the Medi-Cal fiscal intermediary contracts and contract amendments, any system change pursuant to a change order, and any project or systems development notice shall be exempt from Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, Chapter 7 (commencing with Section 11700) of Part 1 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and any policies, procedures, or regulations authorized by these laws.
- (h) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall implement this section by means of all-county letters or similar instructions, without taking any further regulatory action. Thereafter, the department shall adopt regulations, as necessary, to implement this section in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.
- SEC. 2. Section 14148.04 of the Welfare and Institutions Code is amended to read:
- 14148.04. (a) The department shall adopt, as specified in this section, an electronic process for families to enroll a deemed eligible newborn in the Medi-Cal program from hospitals that have elected to participate in the process. The electronic enrollment process adopted pursuant to this section shall be known as the Newborn Hospital-Gateway. Gateway and shall be accessed through existing presumptive eligibility portals.
- (b) All qualified Medi-Cal providers participating in presumptive eligibility programs shall use the Newborn Hospital Gateway system to report a Medi-Cal eligible newborn born in their facilities, including hospitals, birthing centers, or other birthing settings, within 24 hours after birth.



- (c) With respect to the enrollment of a child under the age of one year of age who is deemed to have applied and is deemed eligible for Medi-Cal benefits under Section 1396a(e)(4) of Title 42 of the United States Code, the enrollment procedures of the Newborn Hospital Gateway shall specifically include procedures for confirming the eligibility of, and issuing a Medi-Cal card to, that child.

UNBACKED

- (e)
- (d) In developing the Newborn Hospital Gateway required by this section, the department shall consult with consumer, provider, county, and health plan representatives.
- (d) The Newborn Hospital Gateway may not be adopted until both of the following occur:
- (1) Sufficient moneys have been deposited in the Special Funds Account of the Gateway Fund to defray the costs of developing the Newborn Hospital Gateway.
- (2) Sufficient new staff, not to exceed a total of three personnel years, is available at the department for the purposes of this section and Section 14148.03 and is funded through nonstate General Fund sources. Notwithstanding any other provision of law, the department may hire staff necessary to implement this section.
- (e) The department shall implement the Newborn Hospital Gateway within 12 months after the date upon which both of the conditions required under subdivision (d) have occurred.
 - (f)
- (e) To implement this section, the department may contract with public or private entities, or utilize existing health care service provider enrollment and payment mechanisms, including the Medi-Cal program's fiscal intermediary, only if services provided under the program are specifically identified and reimbursed in a manner that appropriately claims federal financial reimbursement. Contracts, including the Medi-Cal fiscal intermediary contract for the Child Health and Disability Prevention Program presumptive eligibility programs and including any contract amendment, any system change pursuant to a change order, and any project or systems development notice shall be exempt from Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, Chapter 7 (commencing with Section 11700) of Part 1 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and any policies, procedures, or regulations authorized by these laws.
- SEC. 3. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

LEGISLATIVE COUNSEL'S DIGEST

Bill No.				
as introduced,				
General Subject: Me	edi-Cal: presum	ptive eligibility: N	Newborn Hos	pital Gateway.

Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the department to provide presumptive eligibility to qualified individuals through programs in which authorized Medi-Cal providers make presumptive eligibility determinations.

Existing law requires the department to adopt the Newborn Hospital Gateway, which is an electronic process for families to enroll a deemed eligible newborn in the Medi-Cal program from hospitals that have elected to participate in the process. Existing law authorizes the expenditure of moneys in the Gateway Fund, upon appropriation, for purposes of establishing and maintaining the gateway. Existing law conditions adoption of the gateway on the deposit of sufficient moneys in the Special Funds Account of the Gateway Fund and on the availability of sufficient new staff, as specified, and would require the department to implement the gateway within 12 months after the occurrence of those conditions.

This bill would require that the gateway be accessed through existing presumptive eligibility portals. The bill would require all qualified Medi-Cal providers participating in presumptive eligibility programs to use the gateway system to report a Medi-Cal eligible newborn born in their facilities, as specified, within 24 hours after birth.

The bill would delete the conditions of sufficient moneys and staff and the 12-month timeline from the above-described provisions. The bill would make other changes to related contracting provisions.

Existing law requires the department to develop an electronic application to serve as the application for the Children's Presumptive Eligibility Program, to the extent allowed under federal law. Existing law authorizes the department to also use the electronic application as a means to enroll newborns into the Medi-Cal program as is authorized under specified federal law. Existing law conditions implementation of these provisions on receipt of any necessary federal approvals and the availability of federal financial participation.

This bill would authorize providers to submit newborn enrollments through the electronic application on behalf of patients without a patient's signature.

To the extent that the above-described provisions would create new duties for counties relating to Medi-Cal eligibility determinations, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.



This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local

program: yes.

